

SENATE BILL 441

R2

CONSTITUTIONAL AMENDMENT

2lr0744

By: **Senators Garagiola, Astle, Benson, Colburn, Currie, DeGrange, Dyson, Edwards, Ferguson, Forehand, Glassman, King, Klausmeier, Manno, Mathias, Middleton, Montgomery, Peters, Ramirez, Rosapepe, Stone, and Young**

Introduced and read first time: February 2, 2012

Assigned to: Budget and Taxation

A BILL ENTITLED

1 AN ACT concerning

2 **Transportation Trust Fund – Financing – Use of Funds**

3 FOR the purpose of proposing an amendment to the Maryland Constitution to
4 establish a Transportation Trust Fund to be used only for purposes relating to
5 transportation except in certain circumstances; prohibiting the reversion or
6 crediting of any part of the Transportation Trust Fund to the General Fund or a
7 special fund of the State; providing that this amendment does not prohibit the
8 allocation or use of certain funds in the Transportation Trust Fund for counties,
9 municipalities, and Baltimore City as authorized by law; requiring that certain
10 taxes, fees, charges, and revenues be credited to the Transportation Trust Fund;
11 authorizing the use of funds in the Transportation Trust Fund for defense or
12 relief purposes if the State is invaded or a major catastrophe occurs and the
13 Governor and the General Assembly take certain actions and provide for the
14 repayment of the funds; submitting this amendment to the qualified voters of
15 the State for their adoption or rejection; and generally relating to the financing
16 and use of funds of the Transportation Trust Fund.

17 BY proposing an addition to the Maryland Constitution
18 Article III – Legislative Department
19 Section 53

20 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
21 MARYLAND, (Three-fifths of all the members elected to each of the two Houses
22 concurring), That it be proposed that the Maryland Constitution read as follows:

23 **Article III – Legislative Department**

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.



1 **53.**

2 (A) **THERE IS A TRANSPORTATION TRUST FUND.**

3 (B) **EXCEPT AS PROVIDED IN SUBSECTION (F) OF THIS SECTION, THE**
4 **FUNDS IN THE TRANSPORTATION TRUST FUND MAY BE USED ONLY:**

5 (1) **FOR THE PURPOSE OF PAYING THE PRINCIPAL OF AND**
6 **INTEREST ON TRANSPORTATION BONDS AS THEY BECOME DUE AND PAYABLE;**
7 **AND**

8 (2) **AFTER MEETING DEBT SERVICE REQUIREMENTS FOR**
9 **TRANSPORTATION BONDS, FOR ANY LAWFUL PURPOSE RELATED TO THE**
10 **CONSTRUCTION AND MAINTENANCE OF AN ADEQUATE HIGHWAY SYSTEM IN THE**
11 **STATE OR ANY OTHER PURPOSE RELATED TO TRANSPORTATION.**

12 (C) **NO PART OF THE TRANSPORTATION TRUST FUND MAY REVERT OR**
13 **BE CREDITED TO THE GENERAL FUND OR A SPECIAL FUND OF THE STATE.**

14 (D) **THIS SECTION DOES NOT PROHIBIT AN ALLOCATION OR USE OF**
15 **HIGHWAY USER REVENUES FOR THE COUNTIES, MUNICIPALITIES, OR**
16 **BALTIMORE CITY THAT IS AUTHORIZED UNDER TITLE 8, SUBTITLE 4 OF THE**
17 **TRANSPORTATION ARTICLE.**

18 (E) **THERE SHALL BE CREDITED TO THE TRANSPORTATION TRUST**
19 **FUND THE FOLLOWING TAXES, FEES, CHARGES, AND REVENUES:**

20 (1) **THE CASH PROCEEDS OF THE SALE OF CONSOLIDATED**
21 **TRANSPORTATION BONDS, NOTES, OR OTHER EVIDENCES OF OBLIGATION**
22 **ISSUED FOR TRANSPORTATION PURPOSES;**

23 (2) **ALL FEDERAL FUNDS PROVIDED TO THE STATE FOR**
24 **TRANSPORTATION PURPOSES;**

25 (3) **NOT LESS THAN THE PORTION OF MOTOR FUEL TAX REVENUE**
26 **DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER TITLE 2,**
27 **SUBTITLE 11 OF THE TAX – GENERAL ARTICLE AS IT WAS IN EFFECT ON**
28 **OCTOBER 1, 2011;**

29 (4) **NOT LESS THAN THE PORTION OF MOTOR CARRIER TAX**
30 **REVENUE DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER TITLE**
31 **2, SUBTITLE 10 OF THE TAX – GENERAL ARTICLE AS IT WAS IN EFFECT ON**
32 **OCTOBER 1, 2011;**

1 **(5) NOT LESS THAN THE PORTION OF VEHICLE EXCISE TAX**
2 **REVENUE DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER §**
3 **13-814 OF THE TRANSPORTATION ARTICLE AS IT WAS IN EFFECT ON OCTOBER**
4 **1, 2011;**

5 **(6) NOT LESS THAN THE PORTION OF CORPORATE INCOME TAX**
6 **REVENUE DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER §**
7 **2-614 OF THE TAX – GENERAL ARTICLE AS IT WAS IN EFFECT ON OCTOBER 1,**
8 **2011;**

9 **(7) NOT LESS THAN THE PORTION OF SALES AND USE TAX**
10 **REVENUE DISTRIBUTED TO THE TRANSPORTATION TRUST FUND UNDER TITLE**
11 **2, SUBTITLE 13 OF THE TAX – GENERAL ARTICLE AS IT WAS IN EFFECT ON**
12 **OCTOBER 1, 2011;**

13 **(8) VEHICLE REGISTRATION FEES COLLECTED UNDER TITLE 13,**
14 **SUBTITLE 9, PART II OF THE TRANSPORTATION ARTICLE;**

15 **(9) NOT LESS THAN THE PORTION OF REVENUE FROM ALL OTHER**
16 **FEES COLLECTED BY THE MOTOR VEHICLE ADMINISTRATION AND**
17 **DISTRIBUTED IN WHOLE OR IN PART TO THE TRANSPORTATION TRUST FUND**
18 **UNDER THE TRANSPORTATION ARTICLE AS IT WAS IN EFFECT ON OCTOBER 1,**
19 **2011;**

20 **(10) OPERATING REVENUES FROM FARES, FEES, RATES, RENTALS,**
21 **AND OTHER CHARGES IMPOSED BY THE MARYLAND TRANSIT ADMINISTRATION,**
22 **MARYLAND AVIATION ADMINISTRATION, AND MARYLAND PORT**
23 **ADMINISTRATION FOR THE USE OF THEIR SERVICES OR FACILITIES; AND**

24 **(11) ALL OTHER FUNDS DISTRIBUTED TO THE TRANSPORTATION**
25 **TRUST FUND UNDER A LAW IN EFFECT ON OCTOBER 1, 2011.**

26 **(F) THE FUNDS IN THE TRANSPORTATION TRUST FUND MAY BE USED**
27 **FOR DEFENSE OR RELIEF PURPOSES IF:**

28 **(1) THE STATE IS INVADED BY LAND, SEA, OR AIR, OR A MAJOR**
29 **CATASTROPHE OCCURS;**

30 **(2) THE GOVERNOR:**

31 **(I) PROCLAIMS A STATE OF EMERGENCY;**

1 **(II) DECLARES THAT USE OF THE FUNDS FOR DEFENSE OR**
2 **RELIEF PURPOSES IS NECESSARY FOR THE IMMEDIATE PRESERVATION OF THE**
3 **PUBLIC HEALTH OR SAFETY; AND**

4 **(III) PROPOSES A PLAN TO REPAY THE TRANSPORTATION**
5 **TRUST FUND, WITHIN 5 YEARS AFTER THE USE OF THE FUNDS, FOR ANY**
6 **AMOUNTS USED UNDER THE AUTHORITY OF THIS SUBSECTION; AND**

7 **(3) THE GENERAL ASSEMBLY, BY LEGISLATION PASSED UPON A**
8 **YEA AND NAY VOTE SUPPORTED BY THREE-FIFTHS OF ALL THE MEMBERS**
9 **ELECTED TO EACH OF THE TWO HOUSES OF THE GENERAL ASSEMBLY,**
10 **CONCURS THAT THE USE OF THE FUNDS FOR DEFENSE OR RELIEF PURPOSES IS**
11 **NECESSARY AND APPROVES THE REPAYMENT PLAN PROPOSED BY THE**
12 **GOVERNOR.**

13 SECTION 2. AND BE IT FURTHER ENACTED, That the General Assembly
14 determines that the amendment to the Maryland Constitution proposed by this Act
15 affects multiple jurisdictions and that the provisions of Article XIV, § 1 of the
16 Maryland Constitution concerning local approval of constitutional amendments do not
17 apply.

18 SECTION 3. AND BE IT FURTHER ENACTED, That the foregoing section
19 proposed as an amendment to the Maryland Constitution shall be submitted to the
20 qualified voters of the State at the next general election to be held in November, 2012
21 for their adoption or rejection pursuant to Article XIV of the Maryland Constitution.
22 At that general election, the vote on this proposed amendment to the Constitution
23 shall be by ballot, and upon each ballot there shall be printed the words "For the
24 Constitutional Amendment" and "Against the Constitutional Amendment," as now
25 provided by law. Immediately after the election, all returns shall be made to the
26 Governor of the vote for and against the proposed amendment, as directed by Article
27 XIV of the Maryland Constitution, and further proceedings had in accordance with
28 Article XIV.